GOVERNMENT OF INDIA
COAL
LOK SABHA

UNSTARRED QUESTION NO:355
ANSWERED ON:23.11.2011
RESPONSE TO GLOBAL TENDERS
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Will the Minister of COAL be pleased to state:

(a) whether there is tardy response to global tenders in coal; and

(b) if so, the details thereof and the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF COAL(SHRI PRATIK PRAKASHBAPU PATIL)

(a) & (b) : As reported by Coal India Ltd. (CIL), advertisement were issued requesting parties to participate in the qualification process for selection of companies to enter into Longterm Offtake for a period of 10 years based on the index related pricing. Out of the respondents, 15 nos. of companies were qualified to submit their financial bids. However, only 5 nos. of companies participated in the price bids and only a few proposals were found to be compliant to the conditions of the tenders. The tardy response to the global tender was possibly due to the fact that proposed 10 year contract to be entered with companies is not a prevalent practice in global market, particularly in the current highly volatile market scenario.

As far as Singreni Collieries Company Ltd. (SCCL) and Neyveli Lignite Corporation Ltd. (NLC) are concerned, they are receiving good response against global tenders for procurement of machinery, aid for modern technology transfer, Joint Venture partner in identification and acquisition of Coal Blocks, Development of Assets in Coal blocks etc